



# National Pork Producers Council

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May 12, 2003

Kenneth Payne, Chief  
Marketing Programs Branch  
AMS Livestock and Seed Program  
USDA Stop 0251  
1400 Independence Avenue, SW  
Washington, DC 20250-0251

**RE: Proposed Rule, 7 CFR Part 1230, Fed. Reg. 11996, Docket No. LS-02-15, on Pork Promotion, Research, and Consumer Information Program: Submission of Information**

Dear Mr. Payne,

The following comments are on behalf of the National Pork Producers Council (NPPC) and the 44 state pork producer organizations. NPPC represents a wide variety of types and sizes of producers. NPPC along with six state pork producer organizations and three individual pork producers were active parties in the settlement agreement and the pursuant litigation. These comments are made to create a fair and justifiable survey process for all bona fide pork producers.

## **General Comments**

One of the critical issues is defining the term pork producer. NPPC believes the rule should be consistent with the definition used in the Pork Act. This definition has been used in the past and establishes defensible language for the United States Department of Agriculture (USDA) to base decisions upon.

It is incumbent upon USDA to give full consideration of contract producers in determining the "universe" for participation in the pork checkoff survey. NPPC encourages USDA to develop a process to identify those producers who directly or indirectly, through their contracts, or who have checkoff paid on their behalf, through their contract. USDA should obtain contract producer information from those entities involved in contract production.

If a producer/farm name is to “qualify” for the survey, some type of third-party documentation must support it. Regardless of the source, this documentation will verify the number of bona fide producers.

**Specific Comments:**

- 1) Based on USDA’s estimate there are about 3,200 remitters. These remitters include major markets, auction markets, marketing groups and individual producers. These remitters provide electronic data and hard-copy data in many different formats. The process to coordinate and eliminate duplication of this information will be a substantial task. It imperative that USDA layout a detailed protocol for eliminating duplication and for conducting verification prior to acquiring the data. A protocol that clearly states how USDA will conduct and manage its data collection processes is an essential part of developing an open, fair, and equitable list of eligible pork producers.
- 2) Utilizing the list of remitters from National Pork Board (NPB) will only provide a partial list. USDA will not be able to collect names of producers/entities in marketing groups, joint ventures or entities selling farm to farm. NPPC would recommend that USDA also directly contact these types of groups and capture names for the “universe”.
- 3) USDA must also make special efforts to collect names of producers who sell directly to consumers or to other producers. In some cases such producers are not submitting checkoff, thus would not be part of the NPB remitters list. USDA will need to access direct marketing lists to capture the names of producers or entities.
- 4) NPPC also recommends that USDA acquire the names of youth that market pigs through a fair form, which organized groups remit to NPB. Extensive care will be necessary to ensure that the names of youth be held in a secure and confidential manner.
- 5) The proposed rule may significantly underestimate the cost and time required to gather this information by the remitters. For those with electronic information systems, the one-hour estimate and the estimate of \$20 per hour may be understated. Experience shows that such an information request would require between four to ten hours of work. NPPC believes that an hourly rate of \$30 per hour more accurately reflects costs. Further, we would recommend that USDA use the hourly cost estimates developed for the voluntary country-of-origin-labeling program. NPPC recommends that all efforts be made to limit the costs to auction markets, individual producers and packers and that none of these costs be transferred to the individual producer.

- 6) Youth names should **not** be available for public review. However the remainder of the list of eligible producers (“universe”) should be available for public review for thirty (30) days, to ensure that all bona fide pork producers are represented as part of a final listing of eligible pork producers (“universe”).
- 7) The penalty for not submitting the names should be substantial. However, the markets and packers should be given sixty (60) days to complete the process to coordinate the data.

Finally, the calculation used for the determining the “universe” should also be compared to the number calculated by National Agriculture Statistics Service for the Agriculture Census. NPPC supports USDA’s efforts to move ahead and implement the process specified by the settlement agreement.

NPPC appreciates the opportunity to present comments on behalf of America’s pork producers. If you have any questions, please call Kirk Ferrell, Vice President for Public Policy at (202) 347-3600.

Sincerely,

A handwritten signature in black ink that reads "Jon Caspers". The signature is written in a cursive, flowing style.

Jon Caspers, President  
National Pork Producers Council